

STATE OF NEVADA
GAMING CONTROL BOARD

CPA 6A MICS COMPLIANCE CHECKLIST

INTERNAL AUDIT DEPARTMENT

Client _____ **Audit** _____ **Prepared**
Name: _____ **Period:** _____ **By:** _____

NGC Regulation 6A.060(2) requires the CPA to use "criteria established by the chairman" in determining whether a licensee is in compliance with Regulation 6A and the Currency Transaction Reporting Minimum Internal Control Standards (6A MICS). This checklist is to be used by the CPA in determining whether the licensee's operations are in compliance with those requirements.

Indicate licensee personnel contacted:

Date of Inquiry	Person Interviewed	Position

For those questions referring to records/documentation (denoted by underlined question numbers in bold print), examine a completed document for compliance. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used:

_____ Confirmed via examination/review
_____ Confirmed via inquiry
_____ Confirmed via observation

- | | | | |
|--|------------|-----------|---------------------------|
| | <u>Yes</u> | <u>No</u> | <u>W/P</u>
<u>Ref.</u> |
| 1. Are internal audit procedures performed to determine compliance with the provisions of Regulation 6A and the provisions of the 6A MICS, and include at a minimum: | | | |

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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
a. Quarterly reviews of established procedures in effect for all departments?	_____	_____	_____
b. An annual examination of all types of documents prepared pursuant to Regulation 6A and the 6A MICS?	_____	_____	_____

Note: Either business or calendar quarters/years may be used. The type of quarters/years used is delineated within the system of internal control submitted to the Board.

2. Do procedures for the quarterly reviews include:

a. Compliance walk-throughs of those departments where Regulation 6A transactions may occur, including interviews with employees who handle cash transactions, and are performed for all three shifts (rotated throughout the year)?	_____	_____	_____
b. Examination of available Regulation 6A documentation including CTRC-N's, SARC's, and MTL's?	_____	_____	_____
c. General observations?	_____	_____	_____
d. Sufficient procedures to address compliance with the following requirements:			
1) Prohibited transactions as described in Regulation 6A.020 for all monitoring areas?	_____	_____	_____
2) Regulation 6A.020 requirements for all casino departments that accept gaming, front money, or safekeeping deposits (including telephone accounts)?	_____	_____	_____
3) Identification and reporting procedures for reportable transactions that may occur as the result of single, multiple and/or dissimilar transactions?	_____	_____	_____

Note: If in the preceding business year a particular branch office had more than \$1,000,000 of cash transactions (both cash-in and cash-out transactions combined), then the internal audit department is required to perform a walk-through of that branch office only once (instead of quarterly) in either that business year or the following business year. No walk-throughs are required for those branch offices that had \$1,000,000 or less of cash transactions in the preceding business year.

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	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
3. Do annual examinations include:			
a. Examinations of Regulation 6A documentation including CTRC-N's, SARC's, and MTL's with testing done on a sample basis, with the sample including documents from each quarter?	_____	_____	_____
b. Examinations of casino records other than Regulation 6A documentation (e.g., safekeeping/front money records, cage/vault documentation, bank deposit records, credit play records, slot payout tickets, keno tickets, race/sports tickets for write and payouts, cash receipts/disbursements, etc.) on a sample basis to determine whether :			
1) CTRC-N's were completed and filed for all reportable transactions?	_____	_____	_____
2) SARC's were completed and filed for all transactions that were classified as suspicious transactions?	_____	_____	_____
3) The information contained within the CTRC-N's and SARC's was complete?	_____	_____	_____
4) Prohibited transactions (Regulation 6A.020) have/have not occurred?	_____	_____	_____
c. An evaluation of the established system of internal control and the procedures in effect?	_____	_____	_____
<u>4.</u> Is the performance and the results of the above internal audit procedures documented.?	_____	_____	_____
<u>5.</u> Are all exceptions documented and forwarded to management (i.e., owners, board of directors, etc.) of the organization and to the department heads of those departments responsible for the noncompliance?	_____	_____	_____
6. Are personnel performing internal audit work also responsible for determining the corrective action taken for exceptions noted and documenting such findings?	_____	_____	_____
7. Are internal audit procedures completed by those employees (or employees from affiliates) designated to perform such duties and who are independent of the functions being examined?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
8. Does the internal audit department perform the following job duties:			
a. Compliance specialist functions?	_____	_____	_____
b. Suspicious activity analyst?	_____	_____	_____
c. Training functions?	_____	_____	_____
9. Relating to the previous question, if an internal audit employee performs any of these job duties, does another employee independent of the procedures perform an internal audit review of these functions?	_____	_____	_____

Other Procedures

The Minimum Internal Control Standards allow the Board to publish checklists, programs and guidelines as a supplement to the internal audit 6A MICS. If such supplements are adopted, the following is required:

10. Are the internal audit procedures performed in compliance with the checklists, programs and guidelines published by the Board as a supplement to the internal audit 6A MICS?	_____	_____	_____
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